



UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
Caption in Compliance with D.N.J. LBR 9004-2(c)

NORRIS, McLAUGHLIN & MARCUS, PA
Attorneys for the Debtor/Debtor-In-Possession
721 Route 202-206 North
Bridgewater, New Jersey 08807
(908) 722-0700

In Re:

FRITZE LLC,
A Delaware Limited Liability Company,

Debtor.

Chapter 11

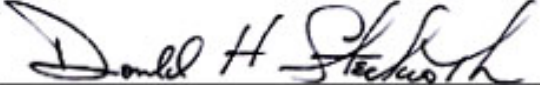
Case No. 07-19059 (DHS)

Judge: Hon. Donald H. Steckroth

**STIPULATION AND CONSENT ORDER RESOLVING DEBTOR'S VERIFIED MOTION
SEEKING THE ENTRY OF AN ORDER EXPUNGING THE CLAIM OF
MM BEACHFRONT NORTH I, LLC PURSUANT TO 11 U.S.C. § 502(b) AND
FED. R. BANKR. 3007**

The relief set forth on the following pages numbered two (2) through five (5) is hereby
ORDERED.

DATED: 12/2/2008



Honorable Donald H. Steckroth
United States Bankruptcy Judge

(Page 2)

Debtor: FRITZE LLC

Case No. 07-19059 (DHS)

Caption of Order: STIPULATION AND CONSENT ORDER RESOLVING THE DEBTOR'S VERIFIED MOTION SEEKING THE ENTRY OF AN ORDER EXPUNGING THE CLAIM OF MM-BEACHFRONT NORTH I, LLC PURSUANT TO 11 U.S.C. § 502(b) AND FED. R. BANKR. P. 3007

WHEREAS, on June 28, 2007 (the "Petition Date"), the debtor, Fritze LLC (the "Debtor") filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code; and

WHEREAS, since the Petition Date, the Debtor continued to operate its business and manage its property as a debtor-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code; and

WHEREAS, on March 27, 2008, the Court confirmed the Debtor's Plan of Orderly Liquidation; and

WHEREAS, the Debtor was formed on July 6, 2005 to acquire certain assets from Fritze KeySpan ("KeySpan"), a company which, at the time, was engaged in the business of installation and servicing of heating and air conditioning equipment for both residential and commercial customers; and

WHEREAS, prior to the Petition Date and until approximately August 2008, the Debtor was also engaged in the business of installation and servicing of heating and air conditioning equipment primarily for residential customers in the State of New Jersey; and

WHEREAS, on June 29, 2007, the Court issued a Notice to the Debtor's creditors setting forth the bar date for filing proof of claims of October 30, 2007; and

WHEREAS, on October 29, 2007, MM-Beachfront North I, LLC ("MM-Beachfront") filed a proof of claim asserting an unsecured nonpriority claim of \$305,844.66 ("Claim No. 50") against the

(Page 3)

Debtor: FRITZE LLC

Case No. 07-19059 (DHS)

Caption of Order: STIPULATION AND CONSENT ORDER RESOLVING THE DEBTOR'S VERIFIED MOTION SEEKING THE ENTRY OF AN ORDER EXPUNGING THE CLAIM OF MM-BEACHFRONT NORTH I, LLC PURSUANT TO 11 U.S.C. § 502(b) AND FED. R. BANKR. P. 3007

Debtor, which claim arises from a lawsuit filed in the Superior Court of New Jersey, Law Division, Monmouth County entitled MM-Beachfront North I, LLC, et al. v. Fritze KeySpan, LLC, Docket No. MON-L-3088-05 (the "State Court Action"); and

WHEREAS, the Verified Complaint filed by MM-Beachfront in the State Court Action and annexed to Claim No. 50 alleges that KeySpan and Matzel and Mumford, an affiliate of MM-Beachfront, entered into a subcontract agreement, dated March 9, 1999 (the "Contract"), whereby KeySpan agreed to furnish work, services, material and equipment for a construction project located at the Beachfront North Condominium, 22 Cooper Avenue, Long Branch, New York (the "Beachfront Property") and KeySpan negligently and/or deficiently performed the work under the subcontract and improperly filed construction liens against the Beachfront Property; and

WHEREAS, on May 22, 2008, the Debtor filed a Verified Motion seeking to expunge Claim No. 50, pursuant to 11 U.S.C. 502(b) and Fed. R. Bankr. P. 3007, on the grounds that MM-Beachfront erroneously asserted Claim No. 50 against the Debtor when such claim is an alleged liability against KeySpan as the Debtor never entered into a subcontract to perform work on the Beachfront Property and/or performed any work or supplied any goods for the Beachfront Property (the "Motion"); and

WHEREAS, the Debtor and MM-Beachfront have reached an amicable resolution of the Motion and Claim No. 50 as memorialized herein;

(Page 4)

Debtor: FRITZE LLC

Case No. 07-19059 (DHS)

Caption of Order: STIPULATION AND CONSENT ORDER RESOLVING THE DEBTOR'S VERIFIED MOTION SEEKING THE ENTRY OF AN ORDER EXPUNGING THE CLAIM OF MM-BEACHFRONT NORTH I, LLC PURSUANT TO 11 U.S.C. § 502(b) AND FED. R. BANKR. P. 3007

NOW, THEREFORE IT IS HEREBY STIPULATED AND AGREED, BY AND BETWEEN THE UNDERSIGNED PARTIES;

1. MM-Beachfront hereby withdraws Claim No. 50 and waives the right to any distributions from the Debtor's estate.

2. Notwithstanding the foregoing, MM-Beachfront and/or Matzel and Mumford reserve the right to assert the claim set forth in Claim No. 50 as a defense to any claim by the Debtor against MM-Beachfront and/or Matzel and Mumford to collect outstanding receivables under the Contract allegedly due and owing from the companies, including but not limited to, the right to offset any such claim.

3. The Debtor reserves any and all rights, claims and/or causes of action against MM-Beachfront and/or Matzel and Mumford, including but not limited to, the right to challenge any defense raised by MM-Beachfront and/or Matzel and Mumford relating to the claim set forth in Claim No. 50.

4. To the extent the automatic stay provided for in Section 362 of the Bankruptcy Code applies to the claims of MM-Beachfront and Matzel and Mumford against KeySpan, the Debtor hereby grants MM-Beachfront and Matzel and Mumford relief from the automatic stay to proceed with the State Court Action and pursue any further claims against KeySpan.

(Page 5)

Debtor: FRITZE LLC

Case No. 07-19059 (DHS)

Caption of Order: STIPULATION AND CONSENT ORDER RESOLVING THE DEBTOR'S VERIFIED MOTION SEEKING THE ENTRY OF AN ORDER EXPUNGING THE CLAIM OF MM-BEACHFRONT NORTH I, LLC PURSUANT TO 11 U.S.C. § 502(b) AND FED. R. BANKR. P. 3007

5. The Court shall retain jurisdiction to hear any matters or disputes arising from or relating to this Stipulation and Order.

We agree to the form and entry of this Stipulation and Order.

NORRIS, McLAUGHLIN & MARCUS, PA
Attorneys for the Debtor, Fritze LLC

FOX ROTHSCHILD LLP
Attorneys for MM-Beachfront North I, LLC

By: /s/ Morris S. Bauer
Morris S. Bauer

By: /s/ Joseph R. Zapata, Jr.
Joseph R. Zapata, Jr.